Long Term Loan to Government of Karnataka

*536. SMT. BASAVA RAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received request from the Government of Karnataka for grant of long term loan to the State to overcome the financial problems during 1990-91:

(b) if so, the decision taken thereon:

(c) if no decision has been taken, the reasons for delay;

(d) the time by which a decision is likely to be taken in this regard;

(e) the total amount of loans provided to the State during 1990-91; and

(f) the loans proposed to be provided during 1991-92?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) Yes, Sir. The Government of Karnataka had requested the Government of India for waiving off the recovery of advance Plan assistance of Rs. 66.56 crores outstanding as on 1-4-1990, or alternatively for conversion of the amount into long term loan repayable over a period of 20 years.

(b) The State Government's request could not be acceded to as the principle for adjustment of advance Plan assistance is uniformly applicable to all the States and any relaxation in the case of Karnataka would have disturbed the funding pattern of the Annual Plans of the States for 1990-91.

(c) and (d) In view of (b) above, these questions do not arise.

(e) and (f) The loan component of the likely transfers to the Government of Karnataka this year under various heads like Central Plan assistance, assistance for externally aided projects, special assistance for development of Western Ghats, collection of small savings etc. are likely to be of the order of Rs. 650 crores as against Rs. 440.42 crores in 1990-91.

[Translation]

World Bank Assistance for Reconstruction of National Highways

*537. SHRI RAM TAHAL CHOUDHARY
SHRI TEJ NARAYAN SINGH

Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the World Bank has agreed to provide partial financial assistance for the reconstruction of some National Highways:

(b) if so, the details thereof:

(c) whether any amount has been allocated for reconstruction and widening of National Highways passing through Bihar;

(d) if so, the length of Highways being covered under the scheme and the total amount earmarked for the purpose; and

(e) the agency to whom the work is likely to be awarded?